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## Performance Highlights

### Major Development

TRIS Rating affirms BDMS and debentures rating at “AA+”, with a “stable” rating outlook.

TRIS Rating affirms BDMS for the company rating and senior unsecured debentures rating at “AA+”, with a “stable” rating outlook. The ratings reflect BDMS’s market position as the largest private hospital provider in Thailand, its extensive network of hospitals, and its strong franchise of hospital brands. The ratings factor in the company’s improved operating performance post-pandemic and its strong balance sheet.

### 9M23 Performance

#### 1. Operating income

(THB mm)	9M23	9M22	YoY
Revenue from hospital operations	71,698	65,966	9%
Revenue from sales of goods	2,810	2,492	13%
Other income	877	667	31%
<b>Total Operating Income</b>	<b>75,385</b>	<b>69,125</b>	<b>9%</b>

In 9M23, total operating income were Baht 75,385 million, an increase of Baht 6,259 million or increased by 9% YoY, primarily due to

- ◆ Revenues from hospital operations were Baht 71,698 million, an increase of Baht 5,731 million or increased by 9% YoY mainly from growth of COE of 12% YoY as a result of increase in international patient revenues of 26% YoY, driven by an increase of Russian patients 145% YoY, Chinese patients 49% YoY and Cambodian patients 35% YoY. Moreover, Thai patient revenues grew 3% YoY. If excluding COVID-19 revenue, which contributed 13% of hospital revenues in 9M22, Thai-non COVID-19 revenues would increase 25% YoY in 9M23. Consequently, revenue proportion between Thai and international patients changed from 77%:23% in 9M22 to 73%:27% in 9M23.

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Both hospital in Bangkok & vicinity and hospital outside Bangkok increased 6% and 12% YoY, respectively.

The occupancy rate decreased from 75% in 9M22 to 68% in 9M23 due to sharp decline in admission of COVID-19 patients.

- ◆ Revenues from sales of goods were Baht 2,810 million, increased by 13% YoY due to increase in sales of the A.N.B. Laboratories Co., Ltd. and Medicpharma Co., Ltd.
- ◆ Other income was Baht 877 million, increased by 31% YoY due to reopening of Mövenpick BDMS Wellness Resort Bangkok in Jan 2023 after temporary closed for renovation.

## 2. Operating expenses

(THB mm)	9M23	9M22	YoY
Cost of hospital operations and others	47,023	43,577	8%
Administrative expenses	14,615	12,721	15%
<b>Total Operating Expenses (Including depreciation)</b>	<b>61,638</b>	<b>56,298</b>	<b>9%</b>

In 9M23, the Company and its subsidiaries reported total operating expenses & depreciation of Baht 61,638 million, increase of Baht 5,340 million or 9% YoY mainly from higher doctor fees, clinical & non-clinical staff expenses together with an increase in marketing, utility and other administration expenses.

## 3. Other major items

- ◆ **Finance expenses** decreased to Baht 420 million in 9M23 or decreased by 9% YoY from debentures redemption.
- ◆ **Corporate income tax** in 9M23 were Baht 2,717 million, increased by 12% YoY due mainly to increase in pre-tax profit in 9M23.

## 4. Profitability analysis

(THB mm)	9M23	9M22	YoY
EBITDA	18,092	17,293	5%
EBITDA margin	24.0%	25.0%	
EBIT	13,960	12,914	8%
EBIT margin	18.5%	18.7%	
Net profit	10,424	9,493	10%
Net profit margin	13.8%	13.7%	
EPS (Baht)	0.66	0.60	10%

### Remark

EBITDA = Total operating income – Total operating expenses  
(Excluding depreciation and amortization)

Profitability margin calculated based on operating income

The Company and its subsidiaries recorded EBITDA of Baht 18,092 million in 9M23, increased by 5% YoY. However, EBITDA margin decreased from 25.0% in 9M22 to 24.0% in 9M23.

Net profit in 9M23 was Baht 10,424 million, increased by 10% YoY due to recovery of Thai and international patients together with lower depreciation and positive impact from additional stake in Samitivej Public Company Limited (“SVH”) resulting in decrease in non-controlling interests in subsidiaries.

# Summary of Balance Sheets

(Unit : THB mm)	Sep-23	Dec-22	Chg %
Total Assets	139,893	141,453	(1)%
Total Liabilities	46,278	47,830	(3)%
Total equity attributable to company's shareholders	90,100	89,879	0%
Total shareholders' equity	93,614	93,713	(0)%

As of 30 September 2023, the Company and its subsidiaries reported total assets of Baht 139,893 million, slightly decreased by 1% from 31 December 2022

The Company carried goodwill of Baht 17,539 million, which remain unchanged from 31 December 2022. Goodwill were mainly from acquisitions. Such goodwill is tested for impairment annually and when circumstances indicate that the carrying value may be impaired. However, the Company has considered that this goodwill is not impaired.

Other assets of Baht 6,732 million mainly consisted of (1) intangible assets which mainly were computer software of Baht 1,723 million (2) other current financial assets which were investment in fixed deposits and mutual funds of Baht 1,643 million, and (3) other non-current financial assets which were investment in equity and debt instruments of Baht 1,033 million.

Total consolidated liabilities as of 30 September 2023 were Baht 46,278 million, decreased by 3% from 31 December 2022 due mainly to a decrease in debentures of Baht 5,000 million.

Total consolidated shareholders' equity as of 30 September 2023 was Baht 93,614 million, slightly changed from 31 December 2022.

Financial Analysis	9M23	9M22
<b>Returns (%)</b>		
Return on Asset	9.9	9.2
Return on Equity	15.4	14.5
<b>Liquidity (x)</b>		
Current Ratio	1.1	1.2
Quick Ratio	0.9	0.9
<b>Asset &amp; Liabilities Management (Days)</b>		
Average Collection Period	42.1	41.1
Average Inventory Period	12.2	12.2
Average Accounts Payable	32.5	31.1
<b>Leverage Ratio (x)</b>		
Interest Coverage	40.3	35.4
Debt service coverage ratio	5.0	2.7
Current portion of IBD to IBD (%)	24.1	44.0
Loan from financial institution to IBD (%)	30.2	23.5
Total IBD to EBITDA	0.8	0.8
Net IBD to EBITDA	0.5	0.4
<b>Debt to Equity Ratio (x)</b>		
	<b>Sep-23</b>	<b>Dec-22</b>
Total liabilities to equity	0.5	0.5
Total IBD to equity	0.2	0.3
Net IBD to equity	0.1	0.1

ROA and ROE in 9M23 increased from 9M22 as a result of an increase in profit from operations.

Current ratio were slightly changed while quick ratio were unchanged from 9M22.

Average collection period increased from 41.1 days in 9M22 to 42.1 days in 9M23 as a result of an increase in international patients. The Company and subsidiaries have credit policies and assess credit limit base on customer creditworthiness. Average credit term for domestic payers are approximately 30-60 days while international payers are approximately 30-90 days. The credit terms are reviewed annually to monitor and control credit risk.

Average inventory period was 12.2 days in 9M23, unchanged from 9M22. The inventories were mostly medicines and medical supplies. The Company and its subsidiaries have appropriate inventory management plan with internal control. The Company and its subsidiaries perform physical inventory count at least once a year and record allowance for the expired, slow-moving and deteriorated inventories to reduce its cost to net realizable value.

Average payable period also increased from 31.1 days in 9M22 to 32.5 days in 9M23.

**For leverage ratios analysis**, interest coverage ratio increased from 35.4x in 9M22 to 40.3x in 9M23 mainly from good performance during the last 12 months. Debt service coverage ratio (DSCR) also increased from 2.7x in 9M22 to 5.0x in 9M23 due to lower current portion of interest bearing debt.

#### Remark

- Calculated by using last twelve months' performance
- Assets & Liabilities Management based on 360 days
- IBD means interest bearing debt

Net interest bearing debt to EBITDA slightly increased from 0.4x in 9M22 to 0.5x in 9M23.

**For debt to equity ratio analysis**, total interest bearing debt to equity slightly decreased from 0.3x as of 31 December 2022 to 0.2x as of 30 September 2023 while net interest bearing debt to equity as of 31 December 2022 and 30 September 2023 remained unchanged at 0.1x.

The Company and its subsidiaries strongly believe that it has sufficient liquidity to repay its debt within the covenants and will continue to be able to successfully adapt as the situation evolves.

# IR Activities

## International Conference



**Non Deal Roadshow in Singapore with CLSA**  
18 August 2023  
with 18 international institutional investors



**Jefferies 4th Annual Asia Forum in Hong Kong**  
8 September 2023  
with 21 international institutional investors

## Thailand Focus 2023

BDMS join Thailand Focus 2023 on 23 August 2023 at organized by SET in at Grand Hyatt Erawan Bangkok. This conference provided us the opportunity to update our recent development, strategy and outlook to institutional investors

### Panel Session

Topic: The next s-curve of Thai Tourism



Dr. Tanupol Virunhagarun, CEO of BDMS Wellness Clinic and BDMS Wellness Resort was invited to be a speaker at the event with the topic of "The Next S-Curve of Thai Tourism"

### One on Group Meeting



IR Team joined one on group meeting to update on our development and strategic direction to 30 local and international institutional investors.

# IR Activities

## Analyst Meeting 3Q23 Results



BDMS hosted a virtual analyst meeting for 3Q23 results on 17 November 2023. The meeting was led by **Dr. Poramaporn Prasarttong-Osoth**, President, **Khun Narumol Noi-am**, SEVP and CFO, **Khun Att Thongtang**, CEO - Group 5 and **Khun Ajaya Intaraprasong**, Head of Investor Relations. The meeting provided the investment community an opportunity to update on the Company's performance and strategic direction together with addressing any questions or comment to the management. There are more than 60 investors and analysts joining the session

**J.P.Morgan** On same day, BDMS Investor Relations together with J.P. Morgan hosted Virtual Results Call in the afternoon for more than 50 foreign analysts and fund managers.

Presentation material and webcast also posted on our website at [www.bangkokhospital.com](http://www.bangkokhospital.com) under investor relations.



Thailand



Overseas



**Bangkok Dusit Medical Services Public Company Limited** (SET Symbol : BDMS) is the largest private hospital operator in Thailand in terms of patient services revenue and market capitalization with approximately THB 139,893 million in assets as of September 2023. Bangkok Dusit Medical Services Public Company Limited ("BDMS") currently has 56 hospitals in Thailand and 2 hospitals in Cambodia. BDMS is focused on Bangkok and various high-growth markets in Thailand and overseas. The Company is committed to be the leading network healthcare provider by meeting the needs of Thai and foreign patients with high quality, internationally-accepted standards, and value for money services together with the state-of-the art medical technology.

**Contact:** Investor Relations  
 Bangkok Dusit Medical Services Public Company Limited  
 2 Soi Soonvijai 7, New Petchburi Road, Bangkok 10310 Thailand  
 Tel +66(0)2755-1793